

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**HB 413 - SB 1345**

March 5, 2013

**SUMMARY OF BILL:** Decreases, from 50 to 20, the minimum number of rooms a hotel must have in order to obtain a liquor-by-the-drink license.

**ESTIMATED FISCAL IMPACT:**

**Increase State Revenue - \$1,200/One-Time/ABC Fund  
\$4,000/Recurring/ABC Fund**

**Assumptions:**

- Hotels would be subject to an initial application fee of \$300 and a \$1,000 recurring annual renewal fee to the Alcoholic Beverage Fund for each entity.
- The Alcoholic Beverage Commission estimates that there will be four new applicants following enactment of this bill.
- No additional personnel or resources will be required by the ABC.
- The entities will be assessed state and local taxes on alcoholic beverage sales, a 15 percent liquor-by-the-drink tax on all alcoholic beverages sold, and any applicable county or privilege tax. These taxes will not have a significant state or local fiscal impact.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise".

Lucian D. Geise, Executive Director

/cce